



4. When Miguel Macias Hurtado and Alfredo Ceballos Carrion, member of the Guayaquil Municipal Council and of the Concentracion de Fuerzas Populares (CFP), and Manuel Arenas Coello, also a councilman, intimated to the other members of the Council that the employment of all Communists within the municipal government would be canceled, the Marxist group in the Council immediately initiated general assemblies of municipal government employees to request the government to guarantee their positions. Councilman Jorge Trujillo Moulis, who was elected by the CFP, has been influenced by his uncle, Jose Vicente Trujillo, to such an extent that he is now supporting the Mayor of Guayaquil and Dr. Alfredo Vera.

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5. Enrique Gil Gilbert has stated that Dr. Alfredo Vera has been collecting funds from businessmen in Guayaquil for the next Communist electoral campaign. Gil stated that firms such as Enrique Maulme, L. C. Cordovez, Genaro Cucalon, and a number of others have given Vera sums ranging between five and ten thousand sucres each, and that these funds were paid in cash rather than by check to avoid leaving any record of the payments.

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6. Regarding Communist influence in the Court of Justice in Guayaquil, it has been reported that Manuel Aviles Robinson, the president of the court, is a man of weak character, considerably influenced by his brother, Leonidas Aviles, a Communist. Dr. Abad Piedra, also of weak character, is influenced by his father, Dr. Abad Villavicencio, a Marxist of the Vanguardia Revolucionaria Socialista group. Dr. Leopoldo Carrera Calvo, also greatly influenced by Villavicencio, lacks will power and character, notwithstanding his good background. Dr. Jose Eduardo Penaherrera, who is conscienceless and extremely mercenary, is a brother-in-law of the Drs. Espinel Mendoza, opportunists closely connected with Marxists in Guayaquil. Dr. Dario Ordonez would do anything for money, and Dr. Heredia Crespo is a man of the worst moral antecedents. Dr. Otto Quintero Rumbca, the "Ministro Fiscal", whose functions are advisory, is fond of money and intimately connected with the Drs. Espinel Mendoza.

7. On 26 February at 7:15 p.m., in the Casa de la Cultura in Guayaquil, Manuel Medina Castro, prominent member of the PCE and member of the Guayas Provincial Council, delivered a speech concerning the Grace Company contract and pointed out the damage which is being done to Ecuador as a result of the terms of this contract. He further pointed out the advantages to Ecuador in connection with dredging the Guayas River and constructing a new port in Guayaquil.

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8. [REDACTED] usually very well informed on Communist activities in Ecuador has stated that at the present time Pedro Saad ranks third among the leading Communists in America. It was further reported that Saad would attend an important Communist meeting in Montevideo in November. It was stated that since Saad's return from Warsaw, Ecuador has been made the center of Communist activities in Latin America, and that directives for other Latin American countries would emanate from Guayaquil. It is expected that Saad will regularly receive visitors from Europe with instructions and propaganda.

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[REDACTED] stated that a Russian expert in Communist tactics may be sent to Guayaquil. He also stated that Franklin Perez Castro is no longer trusted by the Communist leaders of Guayaquil, and that Manuel Medina Castro now directs the Communist activities in the Guayaquil area. [REDACTED] the Communist Party in Guayaquil is in the process of reorganization and that Pedro Saad brought a considerable sum of money from Europe to further the work of the Communists in Ecuador.

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9. Communist propaganda printed in Czechoslovakia has been posted on walls in Guayaquil. This propaganda concerns the day of Youth against Colonization, 21 February 1951. Circulars on Saad's impressions of the Pro-Peace Congress in Warsaw and on his visit to Moscow, as well as the resolutions of the Pro-Peace Congress, have been distributed in Guayaquil.

10. During the week of 21-27 February, there was little PCE activity in Guayaquil. The local Committee headquarters were closed both day and night, and the cells did not meet.

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Comment: It is reported that certain letters from Ricardo Paredes in Quito were also discussed at this meeting. The content of the letters is not known.